

ATTACHMENT 3

Monsanto

Monsanto Chemical Company
500 Monsanto Ave.
Sauget, Illinois 62206-1198
Phone: (618) 271-5835

February 10, 1987

Mr. Richard Bentle, Ethyl
Mr. Horace Drake, Midwest Rubber
Mr. Jack Henry, Mobil
Mr. Steve Mueller, Amax
Mr. Paul Tandler, Cerro Copper

Gentlemen:

Several discussions have occurred during the past several months concerning remedial action on the Sauget Treatment Plant closed lagoons and ponds area. Our recommendation from the Treatment Association is for the Village to proceed.

This would involve continuing meetings with the Illinois and Federal EPA to gain approval for the proposal in concept prior to proceeding. The proposed action is to follow the recommendation of Geraghty & Miller, Inc. for mitigation. Split of the cost would be as follows:

	<u>%</u>
Amax	4.0
Cerro Copper	4.0
Ethyl	4.0
Midwest Rubber	4.0
Mobil	9.0
Monsanto	75.0
Total	<u>100.0</u>

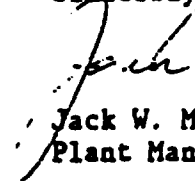
The understanding and commitment is for a project of \$2.0M up to a maximum of \$3.0M. Any expenditure beyond the \$3.0M maximum must be reviewed with the plant representative.

Mr. Richard Bentle, Ethyl
Mr. Horace Drake, Midwest Rubber
Mr. Jack Henry, Mobil
Mr. Steve Mueller, Amax
Mr. Paul Tandler, Cerro Copper

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Please indicate your acceptance of this proposal by signing this page and returning it to me. Assuming everyone agrees, I will communicate this package to Mayor Paul Sauget and you so we can proceed.

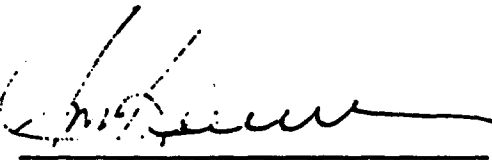
Sincerely,


Jack W. Molloy
Plant Manager

/cm

jack for oge
3-13-87
cmH

APPROVED BY:



COMPANY:

Mobil Oil Corp.

*This approval is subject
to the UNANIMOUS approval
AND CONSENT of the above
listed parties.*

BCC POSTSCRIPT TO JACK HENRY-

The cost of the environmental study is not included in the above number. Currently we have spent almost \$150,000 and would expect it to wrapup at \$200,000. We would expect Mobil to pay their share of this expense also.

Jack Molloy